

**ROUNDY'S SUPERMARKETS, INC.**

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**Pick 'n Save · Copps · Metro Market · Mariano's**

**2018 Green Tier Annual Report**

**Roundy's Oconomowoc Distribution Center  
Oconomowoc, Wisconsin**

July 2019



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**1. Executive Summary**

Roundy's Supermarkets, Inc. (Roundy's) is pleased to provide its twelfth Annual Report under Green Tier. This report covers the activities and accomplishments related to the Roundy's Oconomowoc Distribution Center, a Green Tier participant since December 22, 2006.

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### **2. Business Overview**

As a division of Cincinnati based The Kroger Co., Roundy's, headquartered in Milwaukee, Wisconsin, operates as one of the Midwest's oldest and largest grocers. As of June 30, 2019, the division owns and operates 150 retail grocery stores in Wisconsin and Illinois under the Pick 'n Save, Copps Food Center, Mariano's, and Metro Market banners. In 2018, Roundy's opened one new store in Illinois.

This results-driven company emphasizes its customers, communities, and respect for its employees. Its commitment to the environment and its people begins with its upper management and permeates throughout the organization.

By the end of 2018, the Roundy's and Kroger private labels produce over 10,000 items under multiple brands such as Kroger, Big K®, Fresh Selections by Kroger®, and Simple Truth®. Many of Roundy's signature items are made in its food processing plant in Kenosha, Wisconsin. In addition, Roundy's operates two Wisconsin distribution centers, including the 1.1 million square foot Oconomowoc Distribution Center facility opened in April 2005.

Roundy's has always strived to be a good neighbor, a positive influence on the community and to be a good environmental steward. Roundy's continues to show its commitment with involvement as a Green Tier participant

#### **2.1 Roundy's Supermarkets Inc. Corporate-wide Continual Improvement**

Although this annual report is largely focused on the Oconomowoc Distribution Center's Green Tier accomplishments, Roundy's continues to establish and implement energy-saving and environmentally conscious programs across our organization.

## 2.2 New and Existing Store Initiatives

### *2.2(a) Facility Management Systems (FMS) Update*

All of Roundy's facilities -- retail stores, commissary and distribution centers -- are monitored through Energy Star's Portfolio Manager System. Based on the Energy Star criteria, Roundy's currently has seventeen locations that qualify for the Energy Star certification. An FMS (building automation system) is installed in 83 stores. The systems monitor, manage and control the lighting, heating, ventilation, and air conditioning (HVAC), department fan hoods, ceiling fans and sub-metering of electric and water. In 2018 Roundy's installed Kroger's monitoring system, Danfoss at the new store. Danfoss operates in the same fashion as the current FMS system, but has the additional capability of offsite monitoring of the temperature systems. All other stores on the FMS system will continue to be monitored by that system.

In 2012, Roundy's evaluated the use of a complete CO<sub>2</sub> refrigeration design at store level. In 2013 the system was installed in the new Menomonee Falls Pick 'n Save store (which opened in January 2014). The Menomonee Falls Pick 'n Save refrigeration system utilizes CO<sub>2</sub>, an alternative to HFC (hydro-fluorocarbon) refrigerants. After analyzing the results of this system Roundy's decided to utilize it in all new stores. The new store opened in 2018 installed the CO<sub>2</sub> refrigeration system, for a total of 12 stores with this system.

In 2018 Roundy's continued to be a GreenChill Member, which is a voluntary program through the EPA where retailers commit to reduce emissions of ozone depleting substances from their stores and reported up through The Kroger Co. As a part of GreenChill Roundy's installed the CO<sub>2</sub> refrigeration discussed above and participated in webinars that promoted collaboration across the industry by sharing different energy strategies. Additionally, Roundy's is in the process of certifying all CO<sub>2</sub> refrigeration in the stores as Platinum level achiever which is the highest rank achievable in the GreenChill program.

Also at the store level, Roundy's does not allow vendors to idle engines while loading or unloading.

### *2.2(b) LED (Light Emitting Diode) Technology*

LED design standards have been in place for several years for certain store areas, including produce, liquor, frozen door cases, exit signs and building signage. Roundy's



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has since added LED design standards to open multi-deck cases and walk in coolers/freezers. At the end of 2018 all 150 stores were converted to 100% LED cases. Since 2014 Roundy's has been integrating LED lighting in exterior parking lot lights. In 2018 the new store was constructed with LED parking lot lights, and 14 stores were retrofitted with 100% LED parking lot lights. In addition to parking lot and case conversions to LED, in 2018 Roundy's built the new store and converted 134 stores to 100% LED. This includes cases, spot lights, vapor lights in coolers and freezers, glass doors, and the overhead lights. Roundy's continually seeks to improve the energy savings that LED lights provide by testing and incorporating new generations of lower wattage and more efficient bulbs as they become available. The technology has proven to provide improved lighting characteristics as well as energy efficiencies. During this project Roundy's recycled all old lights through Clean Lights Recycling to divert the waste from the landfill.

### *2.2(c) Day Lighting Technology*

Starting in 2013 Roundy's has designed its stores with more windows than in the past in order to take advantage of day lighting technology. In 2013, two stores were built with a raised roof section to allow for ribbon windows on the interior to act as skylights. This strategy increases the ability to use natural light for maximum visual comfort and to reduce energy consumption. This has continued in 2018 with the new Mariano's store being built with glass atriums to provide natural light into the stores.

### *2.2(d) Refrigeration Innovations*

In 2017 Roundy's completed its closed refrigeration case retrofit. In 2019 Roundy's plans on installing variable frequency drives (VFDs) on refrigeration condensers. The VFDs will reduce the speed of the fans and turn off refrigeration fans when the case reaches the appropriate temperature. Additionally, in 2019 Roundy's plans on installing anti-sweat heater controls for frozen food doors. The existing frozen doors have an internal heater that runs 24/7 and keeps the door from sticking shut and keeps the glass from fogging up. The new anti-sweat heater control will instead pulse electrical current turning the heater on and off at predetermined times so that it runs only when needed.

### *2.2(e) 2018 Renewable Energy Initiatives*

In 2018, Roundy's continued its participation in Wisconsin's Focus on Energy Incentive Program that involved the implementation of various cost-effective, energy efficient, and renewable projects. According to Focus on Energy, the total energy savings from all Wisconsin projects Roundy's submitted to the program in 2018 were 9,190,378kWh and 67,540 therms. This involved 17 projects at 65 different store locations. Roundy's

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was able to utilize \$378,195 in incentives and saved an estimated 6,857 metric tons of CO<sub>2</sub> from being released.

Roundy's also implemented projects in its Illinois stores. Roundy's completed 64 projects in Illinois in 2018 and according to ComEd, the total energy savings from all of these projects were 2,857,734kwh. Roundy's was able to use \$369,884 in incentives and these efforts saved an estimated 2,021 metric tons of CO<sub>2</sub> from being released.

The total savings in 2018 between ComEd and Focus on Energy was 12,048,112kWh which equates to approximately 8,878 tons of (CO<sub>2</sub>) averted.<sup>1</sup>

Another visible way Roundy's gets involved with green awareness is by continuing to offer reusable bags. Roundy's rewards customers who use reusable bags by providing them with fuel points. For calendar year 2018 more than 5.7 million rebates were given to customers who used reusable bags. Additionally, Kroger, as a part of the Zero Hunger Zero Waste initiative, is planning on phasing out all single use plastic bags by 2025 and Roundy's will be a part of that transition.

Many of these initiatives are identified and implemented by Roundy's corporate full-time Energy Program Manager.

### *2.2(f) Zero Construction Waste Initiative*

In 2017 Roundy's, as a part of any substantial construction project, started to require contractors to divert construction waste away from landfill by recycling and reusing as many materials as possible. In 2018, 22 construction projects in Wisconsin and Illinois were tracked and 790 tons of waste were diverted which was a diversion rate of approximately 65%. 10 of the projects that were tracked were above a 90% diversion rate.

### *2.2(g) Energy & Sustainability Mission Statement*

Roundy's has developed the following mission statement for its energy and sustainability efforts:

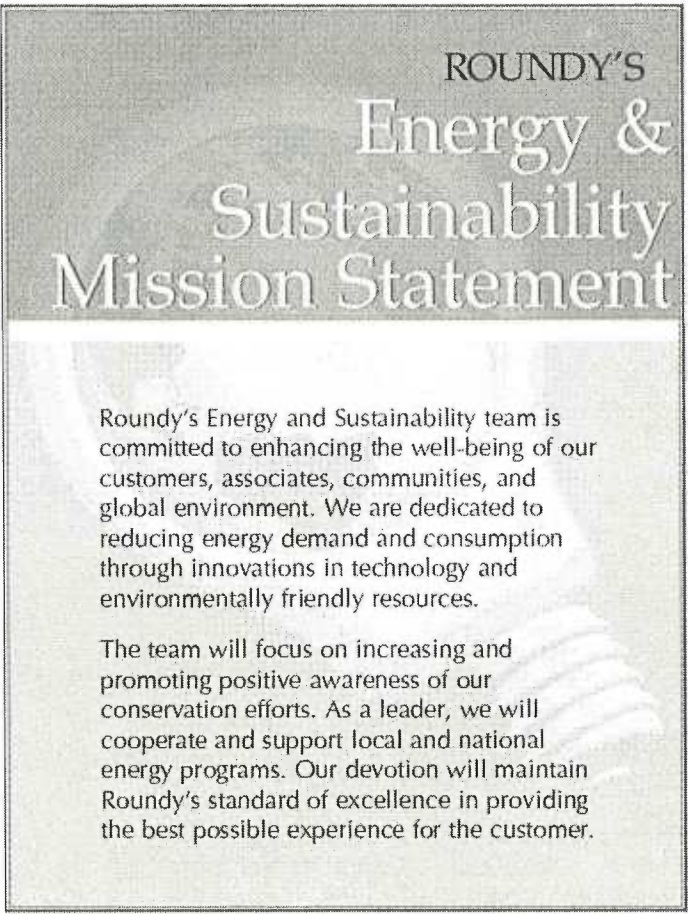
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<sup>1</sup> CO<sub>2</sub> was calculated using the United States Environmental Protection Agency Clean Energy Green House Gas Equivalencies Calculator at: <http://www.epa.gov/cleanenergy/energy-resources/calculator.html>



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## ROUNDY'S Energy & Sustainability Mission Statement

Roundy's Energy and Sustainability team is committed to enhancing the well-being of our customers, associates, communities, and global environment. We are dedicated to reducing energy demand and consumption through innovations in technology and environmentally friendly resources.

The team will focus on increasing and promoting positive awareness of our conservation efforts. As a leader, we will cooperate and support local and national energy programs. Our devotion will maintain Roundy's standard of excellence in providing the best possible experience for the customer.

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### 3. Environmental Management System (EMS) Status

The Roundy's Oconomowoc Distribution Center environmental team initially developed and implemented its EMS in 2007. Pursuant to statute, an external audit of the EMS must be conducted every three years. 2018 was an external audit year. The audit completed in 2018 by Perfect Environmental Performance found, "The results of the audit indicate that the Roundy's Distribution Center's environmental management system **is** in conformance with the requirements found in 299.83 (dg) of the Environmental Results Program and that it is operationally equivalent to the ISO 14001(2004) standard. There were no major or minor nonconformities identified during this audit. The Roundy's Environmental Management System also demonstrated performance that can be classified as "superior environmental performance. Based upon these findings, the Roundy's Oconomowoc Distribution Center environmental management system **has** been found to continue to meet the continual improvement requirements of the Green Tier Program.<sup>2</sup>

### 4. 2006 / 2010 Agreement

Roundy's participation in Green Tier dates back to December 22, 2006, when the Wisconsin Department of Natural Resources (WDNR) first accepted it into the program. In November, 2010, Roundy's re-confirmed its commitment to Green Tier. The updated commitment letter is attached at Appendix A. Information outlining Roundy's continual efforts to address its Green Tier measures at the Oconomowoc Distribution Center are outlined in the following section.

#### 4.1 Minimize Energy Use

Roundy's 2017 Green Tier Annual Report detailed objectives and targets for 2018 relating to energy minimization. These are outlined below:

Objective: Reduce electricity and natural gas usage at Oconomowoc warehouse.

Target: Seeking a 2% to 3% reduction at the Oconomowoc warehouse of 2017 levels by tracking kW hours and Therms.

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<sup>2</sup> Roundy's 3rd Year EMS Audit 2018 Letter of Conformance; Attached as Addendum E.

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**Result:** Roundy's saw an increase in the overall electric and natural gas usage at the Oconomowoc Distribution Center in 2018. Natural gas usage went from 232,724 Therms to 271,779 Therms. This is a 16.9% increase from 2017. This increase in natural gas usage is in part due to the food safety regulation which requires that trailers be washed after every delivery and resulted in more trailer washing than in 2017. Natural gas is used to heat the water for each of these washes. Due to this regulation as output from the distribution center goes up the use of natural gas will also have to increase. This regulation was put into effect during 2017, and therefore 2018 is the first full year burdened with the extra natural gas usage. Additionally, 2018 on average was 1.87 degrees colder than 2017 with 192 days of the year being colder than the previous year. This led to an increase in natural gas usage for the heating of the distribution center. Electricity usage went from 17,482,386 kwh in 2017 to 17,699,015 kwh in 2018. This is a 1.2% increase from 2017 values, however it is still a 2.5% decrease from 2016 values. The increase from 2017 to 2018 in electrical usage is due to the increase case production commiserate with the increased output mentioned above, and additional battery charging of material handling equipment. The average kwh per case shipped decreased by 2.8% from 2017 to 2018, showing an increase in energy efficiency by the distribution center. The distribution center installed 7 Fastrax Doors with pull cords in the Perishable food section in order to reduce false opens from the sensors and thereby save both electricity and natural gas.

### Objectives and Targets for 2019

**Objective:** Reduce electricity and natural gas usage at Oconomowoc warehouse.

**Target:** Install 4 additional Fastrax doors with pull cord activation and track the electricity and natural gas usage.

### 4.2 Waste Minimization

The Oconomowoc Distribution Center continues to work towards greater waste minimization. In 2012, a project was started that included the introduction of a project to convert food waste into compost throughout our network. In 2013 that project was

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expanded as Roundy's partnered with a third-party firm and worked on a pilot project in 13 stores to convert produce into animal feed. The composting program continued in 2018 with all Roundy's stores participating and 15,040 tons of food waste diverted and converted to animal feed. Roundy's will continue this program in 2019.

Roundy's continues, where feasible, to reuse select sturdy product containers for packing and shipping to and from the Oconomowoc Distribution Center. For example, the facility has fully converted to plastic pallets that are reused for all shipping occurring on the Roundy's fleet. Plastic flip sheets are also used as a stable base when stacking certain products on a pallet, replacing traditional cardboard sheets and, thus, further reducing cardboard usage.

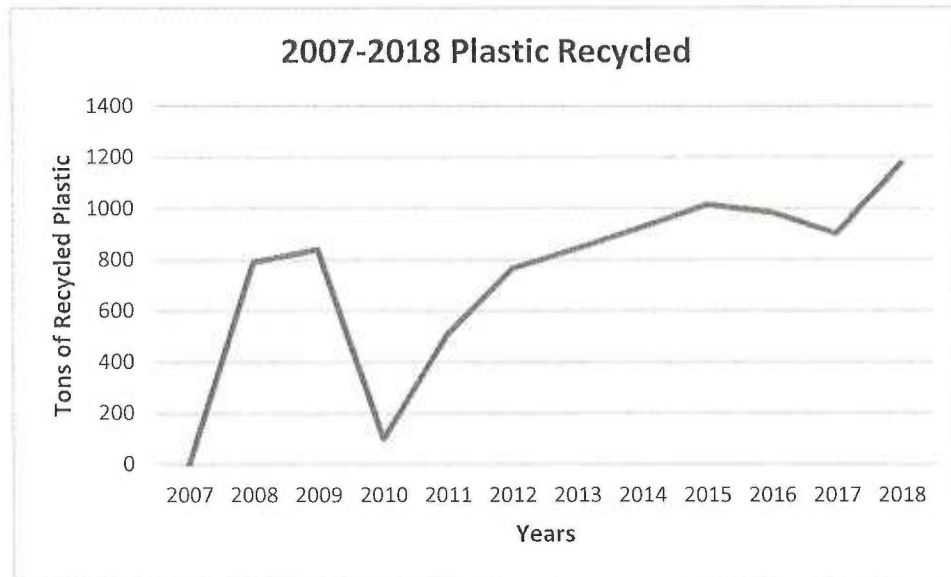
In addition to the specific recycling programs tracked below, the Oconomowoc Distribution Center provides for an employee recycling program. Though not specifically tracked, recycling opportunities exist for plastic, aluminum and paper.

### **4.2.1 2018 Plastic Recycling**

Plastic is widely used at many distribution centers and grocery retailers to wrap pallets and cases prior to shipment. Product received from suppliers is often plastic wrapped and plastic is removed at the Oconomowoc Distribution Center to break apart the delivery and stage it for smaller shipments to individual Roundy's stores. In addition to this plastic wrap, the Oconomowoc Distribution Center currently includes in its recycling program bags, bubble wrap, and plastic pallet corner guards.

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In 2018, plastic recycling at the Oconomowoc Distribution Center totaled 1,175.9 tons, this is a 30.3% increase in recycled plastic materials from 2017 values. This increase is in part due to the push for the store plastic bag recycling program. The Oconomowoc Distribution Center continues to look for more sources for recycling and continues to track conformance with its internal recycling program through formal and informal source segregation inspections and observations. Additionally, company representatives undergo awareness training and the program provides continued diligence through supervisor monitoring for adherence to the recycling program.

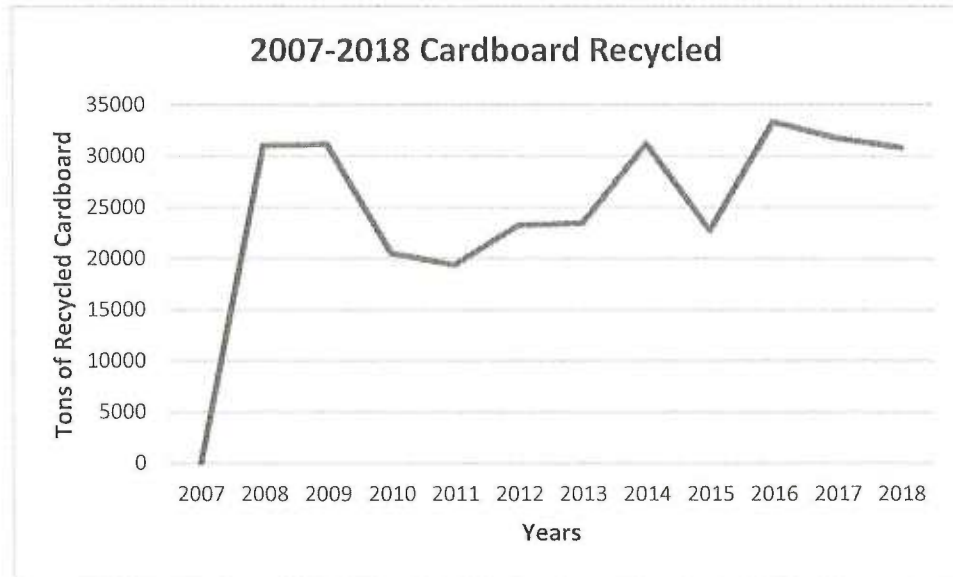
### 4.2.2 2018 Cardboard Recycling

In 2018, a total of 30,820 tons of cardboard were recycled, which represents a decrease of 905 tons from 2017 levels. The decrease can likely be linked to items being shipped to the Distribution Center from manufacturers with less cardboard, to reduce costs and the utilization of more durable plastic.



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The Oconomowoc Distribution Center continues to look for more sources for recycling and continues to track internal conformance through formal and informal source segregation inspections and observations. Additionally, company representatives have awareness training and continued diligence through supervisor monitoring for adherence to the recycling program. All of these activities will help promote cardboard recycling.

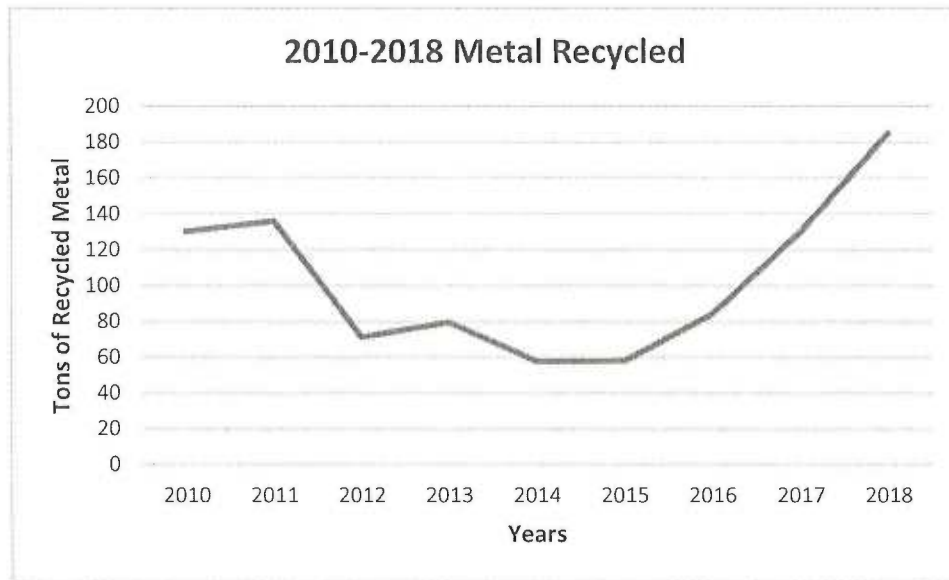
**4.2.3 2018 Metal Recycling**

In 2018 approximately 185 tons of scrap metal were recycled from the Oconomowoc Distribution Center. This volume includes scrap metal collected from the retail stores that is accumulated at the Oconomowoc Distribution Center. This figure is a significant increase from 2017 levels due to the additional equipment assets that were decommissioned and store material removed during the many store renovations completed in 2017 and 2018.



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Roundy's 2017 Green Tier Annual Report detailed objectives and targets for 2018 relating to waste minimization. These are outlined below:

**Objective:** Reduce waste to landfill though recycling cardboard, plastic and pallets.

**Target:** Increase recycling of cardboard and plastics by 2% to 3% over 2017 normalized values.

**Result:** In 2018 plastic recycling significantly increased by 273.5 tons, a 30.3% increase in recycled materials. Cardboard recycling was reduced by 905 tons, a 2.9% decrease. Metal recycling had a significant increase of 55 tons, a 42.3% increase. An analysis of these results are provided in the preceding sections.

**Objective:** Continue compost program.

**Target:** Increase composting tonnage by 3% over 2017 normalized values

**Result:** In 2018 food waste diverted from landfills significantly increased by 3,040 tons, a 25.3% increase over 2017 values.

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### Objectives and Targets for 2019

Objectives: Reduce waste to landfill through recycling cardboard, plastic, and scrap metal.

Target: Increase recycling of cardboard and plastics by 2% to 3% over 2018 normalized values.

Objective: Continue compost program.

Target: Increase composting tonnage by 3% over 2018 normalized values.

Objective: Install a new electronic warehouse management system.

Target: Reduce the amount of paper ordered and used for the management of the Distribution center by 15% of 2018 order number of 720 cases or 3,600,000 sheets.

### 4.3 Evaluate Vendor Technologies

Per its Green Tier commitment, Roundy's also continually evaluates whether new technological and operational equipment processes and/or devices might present an actual benefit to reducing mobile emissions and improved fuel economy. Roundy's also works with the WDNR to evaluate the potential, estimated emission reductions associated with its transportation efforts. The information presented concerning estimated emission reductions associated with Roundy's transportation efforts are all calculated based upon estimated vehicle miles traveled attributed to the Oconomowoc Distribution Center. This section of the report will also, however, provide information on transportation requested by WDNR's Green Tier Annual Report Guidance dated August 19, 2015.

At the end of 2018, the Oconomowoc Distribution Center fleet consisted of (20) MY 2005, (12) MY 2007, (9) MY 2008, (1) CNG, (5) MY 2017, (12) MY 2018, and (34) MY 2019.

#### 4.3.1 CNG

On June 26, 2013 Roundy's began a pilot project utilizing an alternate fuel tractor to determine if a 12 Liter compressed natural gas ("CNG") engine would perform consistent with its current business model and needs. A MY 2013 tractor with a 12 Liter

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CNG engine was leased from June 26 to July 14, 2013, with the purpose of tracking natural gas fuel consumption and engine performance delivering actual loads to Roundy's grocery stores. The test demonstrated that the tractor had enough torque and horsepower to suit Roundy's application without concern. The test also provided enough preliminary fuel cost savings to justify the purchase of one new 12 Liter CNG powered tractor in 2014.

For purposes of this 2018 Annual Report, WDNR calculated the potential estimated emission reductions associated with replacing a heavy-duty diesel tractor with a tractor using CNG technology. Because the information readily available at this time to the WDNR within the EPA Diesel Emissions Quantifier only provides emission information associated with CNG fuel in general, and does not provide emission information associated with different sizes of CNG engines, the WDNR's calculated potential estimated emission reductions cannot be deemed to be representative of actual emission reductions at Roundy's ODC.

For purposes of WDNR's calculations, WDNR calculated the potential emissions associated with Roundy's average MY HD Diesel Truck traveling 27,846 miles using the MOVES 2014a model and the emissions associated with a MY 2014 CNG Truck based upon the use of 5,604 CNG equivalent gallons traveling 27,846 miles using EPA's Diesel Emissions Quantifier. The difference between the emissions calculated using a Roundy's average MY diesel tractor, and the emissions calculated using a MY 2014 CNG Truck, comprises the potential estimated emission reductions associated with replacing a Roundy's average MY diesel tractor with a MY 2014 CNG truck.

WDNR's calculations reflect a potential estimated emission reduction associated with the use of CNG technology as follows:

298 pounds of NO<sub>x</sub>  
11.2 pounds of PM 2.5  
36 pounds of VOC  
85 pounds of CO  
46.9 short tons or 93,800 pounds of CO<sub>2</sub>

## 4.4 Transportation

### 4.4.1 Super Single Tires

Super Single Tires (referred to as single wide tires by the United States Environmental Protection Agency Smart Way Program) are intended to provide low rolling resistance – in other words, the tires are intended to reduce the drag from the weight of the tires on the road and thereby improve fuel efficiency.

For purposes of the 2018 report, WDNR estimated the potential yearly emission reductions associated with the Oconomowoc Distribution Center fleet's use of super single tires by using data provided by Roundy's indicating that 4,252,423 miles (about 99.82% of all miles) were traveled with trucks retrofitted with super single tires and using EPA estimates that super single tires improve fuel efficiency by at least 3%. Using the 2018 ODC average fleet fuel efficiency of 6.99 miles per gallon with super single tires and a fleet average of 6.79 miles per gallon without super single tires, the installation of super single tires on a diesel fleet traveling an estimated 4,252,423 miles could potentially result in a reduction of 199 tons of CO<sub>2</sub>. See Appendix B for the WDNR emission calculations.

### 4.4.2 Trailer Skirts

Trailer skirts are designed to reduce aerodynamic drag. Like the Super Single Tires, EPA's Smart Way program considers aerodynamic trailer skirting to be a verified technology category to reduce aerodynamic drag. For 2018 Roundy's indicated that 63% of the trailers coming to the Oconomowoc Distribution Center were retrofitted with aerodynamic trailer skirts. WDNR in its emission calculation communication indicated that EPA estimates that aerodynamic trailer skirts improve fuel efficiency by at least 4% and that emission calculations from scientific studies show that aerodynamic trailer skirts are estimated to improve fuel efficiency from 5-7%. For purposes of this report, WDNR assumed a 5% fuel efficiency from use of skirts.

Results of WDNR's calculations show an estimated potential yearly reduction of 211 tons of CO<sub>2</sub>, assuming 63% of the estimated diesel vehicle miles traveled attributable to the Oconomowoc Distribution Center fleet included the use of trailers with skirts. Appendix B contains the WDNR calculations.



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### 4.4.3 Idling Provisions

Roundy's prohibits all tractor-trailer trucks from idling on the premises. The only exceptions are when the temperature is above 90 or below 10 degrees Fahrenheit (see Appendix C). A short warm up may occur to prevent diesel fuel from gelling and engine startup difficulties. A copy of the Driver/Unloader Responsibilities handout containing Roundy's Oconomowoc Distribution Center idling policy is provided in writing to third-party vendors that deliver to the facility.

WDNR calculated estimated emission reductions associated with the Oconomowoc Distribution Center idling policy in accordance with the following assumptions:

1. Based upon 1087 actual truck deliveries over a 7-day period in December, 2018, there is assumed to be an average of 155 truck trips per day to the Oconomowoc Distribution Center.
2. Based upon data from that 7-day period, each truck was on site for an average of approximately 4.72 hours; however, 0.4 hours has been deducted for maneuvering and it is assumed that a driver would not physically be in a tractor for 0.95 hours for each trip.
3. Using these assumptions, emissions from idling could be reduced by approximately 3.37 hours per truck per day.
4. The Oconomowoc Distribution Center operated 363 days in 2018.
5. Using Roundy's Fleet Average MOVES 2014a Emission Factors for Heavy Duty Diesel Trucks, the estimated emission reductions from implementation of Roundy's idling policy in 2018 are as follows:

18.5 tons of CO

46 tons of NOx

7.7 tons of VOC

1,888 tons of CO<sub>2</sub>

0.40 tons of PM<sub>2.5</sub>

See Appendix B for WDNR emission calculations.

Going forward, the Oconomowoc Distribution Center will continue to restrict idling through a combination of measures. These include training Roundy's fleet drivers on anti-idling requirements and audits of compliance with the idling policy. Audits for compliance with the idling policy are included in the Oconomowoc Distribution Center internal audits that are conducted throughout the year. Transportation management staff conducts periodic, unannounced yard walks to confirm compliance with the policy.

Finally, if a complaint is filed, then transportation management will respond appropriately.

#### 4.4.4 Speed Control Technology

Roundy's utilizes technology such that when the tractor is in operation, the engine computer reduces the fuel when the driver reaches 63 miles per hour (mph) (referred to as speed control technology).

WDNR's evaluation of the potential impact this initiative can have in reducing air emissions is based upon the estimated total diesel vehicle miles traveled in 2018, includes an assumption that approximately 70 percent of travel is on highways and interstate roads and that speed control technology is active on all of the tractors.

WDNR's calculations resulted in total estimated potential emission differences of: 2,062 pounds of NO<sub>x</sub> reduced, 27 pounds of PM<sub>2.5</sub> reduced, 132 pounds of VOC increased, 611 pounds of CO increased, and 585 tons of CO<sub>2</sub> reduced as a result of the use of speed control technology. More information concerning WDNR's emission calculations is presented in Appendix B.

#### 4.4.5 Ride Share Program

In 2007, the Oconomowoc Distribution Center established a carpool program. At the program onset, the Center issued five carpool permits. The permit allows the designated carpool driver to park in a preferred parking spot that is nearest to an employee building entrance. In 2018, 8 people were enrolled in the rideshare program.

WDNR calculated estimated emission reductions from the rideshare program based upon a 2011 Southeastern Wisconsin Regional Planning Commission (SEWRPC) travel survey indicating that the average roundtrip commute in the southeast Wisconsin seven-county region to and from work is 22 miles. WDNR also considered information on transportation research that quantifies potential benefits from rideshare programs. WDNR assumed 10 percent participation for its calculation of potential emission reductions for the Oconomowoc Distribution Center. Using 0.8 (10 percent X 8 employees) multiplied by 22 miles round trip would result in approximately 17.6 average miles. Assuming that a participating employee commutes to work an average of 230 days per year, in 2018 this could have resulted in a reduction of approximately 4,048 miles. Using emission factors for passenger vehicles, WDNR calculated



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estimated annual emission reductions of: 2.2 pounds of NO<sub>x</sub>, 1.6 pounds of VOC, 27.4 pounds of CO, 0.12 pounds of PM<sub>2.5</sub> and 3,272 pounds of CO<sub>2</sub>.

See Appendix B for WDNR's emission calculations.

In addition to the carpool program, the Oconomowoc Distribution Center offers preferred employee parking for motorcycle riders. There are also bike racks and shower facilities for those riding bikes to work.

### 4.5 Winter Salt Reduction and Sand Reclamation

Roundy's continues to maintain its program for recycling cardboard, scrap metal, and plastic. The Oconomowoc Distribution Center serves as an aggregation point for plastic, cardboard, and scrap metal for both this facility and the retail stores it services. The Oconomowoc Distribution Center also continues to deice parking lots with sand instead of salt. The use of sand, however, requires more effort from the Oconomowoc Distribution Center as it must periodically sweep parking lots and the tractor yard during winter thaws. New sand is then applied during deteriorating weather conditions. The Oconomowoc Distribution Center continues to use a contractor to periodically remove used sand mixed with snow back to the contractor's operation where the sand is filtered and washed for reuse. In 2018, this practice resulted in approximately 85 tons of used sand being reclaimed.

### 4.6 Stakeholder Education

The Green Tier agreement and energy program at the Oconomowoc Distribution Center have resulted in energy conscious programs for new projects at existing stores and for new construction. The company continues to promote ideas and conversations on energy conservation and waste minimization, not just at the Oconomowoc Distribution Center, but with internal stakeholders, our retail stores, and at the corporate headquarters building as described in Section 2.

Roundy's continues to utilize the Employee Environmental Continual Improvement suggestion program implemented in mid-2007 to record and respond to suggestions and comments from employees. All suggestions and feedback are logged into the Environmental Continual Action Database. Once logged, each idea, concern or question is evaluated at Management Review meetings for implementation or response. One example of this was the employee suggestion for a water bottle filling

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station that was implemented in 2016 and has saved hundreds of thousands of single-use bottles since its installation.

The Oconomowoc Distribution Center has the opportunity to make contact with hundreds of drivers daily as they deliver goods to the Oconomowoc Distribution Center. Each driver receives a copy of the Driver/Unloader Responsibilities handout documenting the Oconomowoc Distribution Center's idling policy, and information about Roundy's Environmental Policy attached at Appendix C. Roundy's idle policy is further discussed in Section 4.4.3 of this report.

Roundy's 2017 Green Tier Annual Report detailed objectives and targets for 2018 relating to stakeholder education. These are outlined below:

Objective: Educate employees on EMS, conservation and waste reduction

Target: Management will cover topics relating to each of these subjects in quarterly EMS meetings.

Result: Management discussed EMS and the Green Tier program with employees at monthly pre-shift huddles and weekly new hire training.

Objective: Educate store personnel on EMS, conservation, and waste reduction

Target: Give one tour a quarter of the Oconomowoc Distribution Center to store personnel.

Result: Three tours of the Distribution Center were held with store personnel in 2018.

Objective: Educate other businesses regarding Green Tier and benefits of EMS.

Target: Conduct two educational speeches or meetings per year to outside parties.

Result: No formal presentations were given this year, but all 3<sup>rd</sup> party visitors who toured the distribution center were informed of Green tier including the fire inspectors during the two 2018 inspections.

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Distribution Center  
Oconomowoc, Wisconsin

### Objectives and Targets for 2019

Objective: Educate employees on EMS, conservation and waste reduction

Target: Management will cover topics relating to each of these subjects in quarterly EMS meetings.

Objective: Educate all associates with BRI- Behavioral Risk Improvement. BRI is a system in which associates focus on various desired behaviors, this increases safety and retention and thereby decreases the likelihood of environmental hazards.

Target: Increase the number of retired behaviors by 10% from 35 retired behaviors in 2018. A retired behavior is one where the associates have effectively focused on learning the behavior and can move on to the next.

### 4.7 Continued Community Efforts

#### 4.7.1 Oconomowoc Distribution Center Efforts

In 2010, Roundy's spearheaded an effort to create a Green Business Initiative Committee. The mission of the Committee is "to protect the environment by reducing waste, saving energy and eliminating pollution." According to the Committee:

It is our obligation to explore and implement environmentally sound business practices that reduce waste, save energy and prevent pollution. A cleaner environmental footprint will benefit our community, our businesses and set an example for others to help guarantee a healthy environment for future generations. The Oconomowoc Area Chamber of Commerce is committed to partnering with its member businesses, and the community-at-large, to achieve these goals.<sup>3</sup>

In 2011, the Oconomowoc Distribution Center began collaboration with the Oconomowoc Area Chamber of Commerce, the Oconomowoc School District, and the WDNR on a long-term program to protect and support Rosenow Creek, a Class A Trout Stream located within the Oconomowoc School District property.

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<sup>3</sup> <http://www.oconomowoc.org/green-business.php>

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At this time the Green Business Initiative Committee is no longer active through the Chamber of Commerce. Although Roundy's continues its alliance with the Chamber of Commerce.

### **4.7.2 About The Kroger Co. Foundation**

In 2003 Roundy's chartered the Roundy's Foundation. This was created to further strengthen the commitment between Roundy's Supermarkets, Inc. and the communities it serves. In 2015 The Kroger Co. ("Kroger") purchased Roundy's, however the commitment to serving the community has never wavered. In 2017 the Roundy's Foundation was merged into The Kroger Co. Foundation and all charitable works are now done through The Kroger Co. Foundation. The Kroger Co.'s purpose is to Feed the Human Spirit; The Kroger Co. Foundation supports communities' needs and finds innovative solutions to help end hunger.

Kroger's Zero Hunger Zero Waste initiative is Kroger's plan to end hunger in the communities it works in and to eliminate waste within the company by 2025. This plan includes establishing a \$10 million innovation fund through The Kroger Co. Foundation, accelerating food donations to give 3 billion meals by 2025, and advocating for public policy solutions to address hunger in the community.

In 2018 Roundy's through The Kroger Co. Foundation gave out 51 grants to local organizations dedicated to hunger relief which amounted to \$237,546. Roundy's continued its partnership with Hunger Task Force in 2018 to run the mobile grocery store, Fresh Picks Mobile Market, that travels throughout Milwaukee County covering food deserts and making food more accessible to the underserved.

In 2018 Roundy's again coordinated, in partnership with local police departments, state-wide "Stuff the Squad" events to benefit local community food pantries. Additionally, Roundy's continued support of local police departments including partnerships with the MPD ice cream truck, local night out events, other community events and providing donations to support the services of two fallen officers. Roundy's also supported three new Hunger Relief events including a \$50,000 food donation in partnership with the Milwaukee Bucks, Drumstick Dash in partnership with Feeding America and a partnership with UW to "Drive Out Hunger" benefitting Second Harvest of Southeastern Wisconsin. As well as donating excess warehouse product like the donation of over \$20,000 in pet food to make pet food available for those in need in three area markets.



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Roundy's Oconomowoc  
Distribution Center  
Oconomowoc, Wisconsin

### **5 Annual Report Environmental Performance**

Roundy's is also providing information on the topics below as part of its annual report. Applicable information is either presented below or a reference is provided to where it is placed in other sections of this report.

#### **5.1 Energy and Climate Change**

The Oconomowoc Distribution Center was constructed with numerous energy conservation measures that have either been sustained or further improved. These include energy efficient lighting utilizing motion sensors, natural daylight, and sufficient insulation to provide cooling of non-freezer portions of the building during the normal summer season.

#### **5.2 Supply Chain**

Roundy's continues to communicate with its customers and vendors on the value of reusable pallets and plastic flip sheets and routinely uses these for shipments on Roundy's fleet. While the company cannot directly influence how manufacturers package their product for distribution, it must contend with the result from improper packaging from broken containers and boxes. Roundy's routinely communicates its experiences with vendors and/or manufacturers and salvages retail ready products from these deliveries.

#### **5.3 Stakeholder Involvement**

As described in Section 4.5 Roundy's has engaged in internal and external stakeholder coordination. Involvement with employees, suppliers, and customers is documented through:

- Employee Suggestion Program
- Employee Training and Awareness
- Coordination with External Stakeholders, Drivers, Suppliers, and Vendors
- Participation in the Community through implementation of energy conservation programs at their stores

One specific example of stakeholders working in concert with Roundy's corporate continuous improvement efforts involved the construction of the new Shorewood Metro Market in 2016. It was an infill redevelopment project where the developer had a goal of recycling 85% of materials from demolition and construction. According to the

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developer, this goal was exceeded with a final diversion rate of 93.13%. 9,731.51 tons of materials were diverted from Wisconsin landfills<sup>4</sup>.

### **6 Annual Metrics Reporting**

Metrics requested by WDNR are contained in the Wisconsin WDNR Green Tier Sustainability Metrics spreadsheet contained in Appendix D.

### **7 Closing**

Roundy's Supermarkets Inc., is pleased to be a Tier 1 participant in Wisconsin's forward thinking Green Tier program. The program goals and objectives match the Company's thinking with regard to environmental stewardship and waste minimization.

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<sup>4</sup> Shorewood Metro Market Project: Final Recycling Report prepared by WasteCap Resource Solutions dated 3/31/2016.



## Appendix A

WDNR Amended 2015 Green  
Tier Acceptance Letter for Tier 1



## State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Jim Doyle, Governor  
Scott Hassett, Secretary

101 S. Webster St.  
Box 7921  
Madison, Wisconsin 53707-7921  
Telephone 608-266-2621  
FAX: 608-267-3579  
TTY Access via relay - 711

December 22, 2006

Mike Schmitt

UPDATE: Current contact is Dan Farrell.

Roundy's Supermarkets, Inc  
PO Box 473  
Milwaukee, WI 53201

Subject: Green Tier Acceptance Letter for Tier 1

Dear Mr. Schmitt:

Thank you for completing an application for a Tier 1 agreement. The Department of Natural Resources (DNR) is pleased to approve your application and accept you into the Green Tier program. This letter of acceptance covers the Roundy's Supermarkets Inc. Oconomowoc Distribution Center, Oconomowoc, Wisconsin. This letter of acceptance is authorized by The Environmental Results Program Act, § 299.83, Wis. Stats., created by 2003 Wisconsin Act 276 (effective on May 1, 2004), which is commonly called the "Green Tier Law."

This letter recognizes that Roundy's has already satisfied one of its Green Tier commitments by voluntarily retrofitting more than one quarter of its Class 8 truck fleet with diesel oxidation catalysts (DOC). 32 Fleetguard DOCs were installed as direct replacements to the existing exhaust system on its 2001-2004 model year tractors. The DOCs are designed to reduce the emissions of certain air pollutants contained in diesel exhaust. As you will recall, this commitment was identified in your Indirect Source permit issued on May 18, 2004. Roundy's participation in the Green Tier program reflects your continuing commitment to superior environmental performance and continuous improvement. If future circumstances necessitate stepping back from this commitment, please notify us.

In addition to the DOC upgrade mentioned above, you have also agreed to the following examples of superior environmental performance:

- a) Continue to implement energy use minimization ideas, including occupancy sensors, daylighting, and use of high efficiency replacement bulbs and ballasts.
- b) Minimize waste cardboard and packaging waste from the distribution facility
- c) Evaluate whether certain technological and operational equipment, processes, and/or devices present an actual benefit to reducing mobile emissions and improved fuel economy. The scope of this evaluation will be developed and implemented on an ongoing basis with Mike Friedlander. Roundy's will commit to sharing this information with the DNR in a mutually agreed format.
- d) Educate stakeholders about the benefits of daylighting and green design

With this letter, you are encouraged to use the Green Tier Program logo on written materials that are related to your facilities. Attached to this Acceptance Letter is a unique certificate that recognizes you for participating in the Green Tier Program. The DNR will work with you to

## Appendix B

WDNR Air Management  
Emission Reduction Calculations

## WDNR Air Management Emission Reduction Calculations

### Web Linked Reports

<http://www.epa.gov/smartway/forpartners/technology.htm>

<http://www.vtpi.org/tdm/tdm34.htm>

<http://cfpub.epa.gov/quantifier/index.cfm?action=fleet.edit>

The emission factors are provided in a separate Excel spreadsheet. I used the same format as last year. Although we used an updated model (MOVES2014b) this year, for this analysis the model used last year (MOVES2014a) would have provided identical results.

The Excel file has the following four tabs:

1. Commuting emission factors for passenger cars and passenger trucks
2. Truck emission factors for overall travel
3. Truck emission factors for extended idling
4. Truck running emission factors for speeds ranging from 60 mph to 70 mph

In all four cases, emissions factors are provided for five pollutants: NO<sub>x</sub>, PM<sub>2.5</sub>, VOC, CO and CO<sub>2</sub>.

Also, in all four of these cases, weighted average emission factors are provided for the applicable fleet, either the commuting passenger vehicles or the Roundy's trucks at the Oconomowoc Distribution Center (ODC):

These emission factors for year 2018 are mostly lower than those we provided last year for 2017. For the Roundy's trucks, the year 2018 emission factors are lower because many new trucks were added to the Roundy's fleet in 2018. For the Roundy employees, the commuting emission factors in 2018 are lower than those in 2017 for two key reasons: (1) one year of fleet turnover and (2) lower gasoline sulfur in 2018 than in 2017. The lower gasoline sulfur has an especially significant effect on NO<sub>x</sub> emissions.

For passenger vehicles, the "applicable fleet" consists of all model years weighted by the best available travel fractions for the area, those for the seven-county vehicle inspection and maintenance program area in southeastern Wisconsin.

In addition, emissions from one Compressed Natural Gas (CNG) truck of model year 2014 (total 27,846 annual miles) were calculated using the USEPA Diesel Emissions Quantifier.

I should note that VOC and CO emissions go \*down\* with increased speed for the Roundy's fleet. However, NO<sub>x</sub> emissions go up more than VOC + CO go down, so the combined effect of those three pollutants is an increase as speed increases. PM<sub>2.5</sub> and CO<sub>2</sub> also go up with increased speed.

## **EMISSION REDUCTION CALCULATION FOR SPEED CONTROL PROGRAM**

WDNR's evaluation of emission differences from this initiative is based on the estimated total vehicle miles traveled in 2018 and includes an assumption that approximately 70 percent of travel is on highways and interstate roads and that speed controls are active on all the tractors. WDNR calculated expected emissions at 70 mph and then at 62 mph, the difference between the two speeds comprises the estimated differences in emissions from use of the speed controls.

Estimated TOTAL MILES 2017 = 4,260,018 X 70% Highway = 2,982,013

2,982,013 X 4.546 NOx grams per mile @ 62 mph = 13,556,229 of NOx grams / 454 = 29,860 pounds of NOx

2,982,013 X 4.860 NOx grams per mile @ 70 mph = 14,492,583 of NOx grams / 454 = 32,922 pounds of NOx

**2,062 pounds of NOx reduced**

2,982,013 X 0.143 PM<sub>2.5</sub> grams per mile @ 62 mph = 426,428 of PM<sub>2.5</sub> grams / 454 = 939 pounds of PM<sub>2.5</sub>

2,982,013 X 0.147 PM<sub>2.5</sub> grams per mile @ 70 mph = 438,356 of PM<sub>2.5</sub> grams / 454 = 966 pounds of PM<sub>2.5</sub>

**27 pounds of PM<sub>2.5</sub> reduced**

2,982,013 X 0.165 VOC grams per mile @ 62 mph = 492,032 of VOC grams / 454 = 1,084 pounds of VOC

2,982,013 X 0.145 VOC grams per mile @ 70 mph = 432,392 of VOC grams / 454 = 952 pounds of VOC

**132 pounds of VOC increased**

2,982,013 X 0.863 CO grams per mile @ 62 mph = 2,573,477 of CO grams / 454 = 5,669 pounds of CO

2,982,013 X 0.770 CO grams per mile @ 70 mph = 2,296,150 of CO grams / 454 = 5,058 pounds of CO

**611 pounds of CO increased**

2,982,013 X 1,618 CO<sub>2</sub> grams per mile @ 62 mph = 4,824,897,034 of CO<sub>2</sub> grams / 454 = 10,627,527 pounds of CO<sub>2</sub>

2,982,013 X 1,796 CO<sub>2</sub> grams per mile @ 70 mph = 5,355,695,348 of CO<sub>2</sub> grams / 454 = 11,796,686 pounds of CO<sub>2</sub>

1,169,159 pounds of CO<sub>2</sub> decreased

**585 tons of CO<sub>2</sub> decreased**



### **EMISSION REDUCTION CALCULATION FOR SUPER SINGLE TIRES PROGRAM**

Super Single Tires are considered a "verifiable control technology" by the EPA Smart way program. As such, EPA estimates that super single tires improve fuel efficiency by at least 3%. For the year 2018, data provided by Roundy's indicate that of the 4,260,018 miles of travel from trucks operating at the Oconomowoc Distribution Center, 4,252,423 (about 99.82%) of those miles were from trucks retrofitted with super single tires

Estimated TOTAL MILES =  $4,260,018 \times \sim 0.9982 = 4,252,423$   
TOTAL FUEL CONSUMPTION =  $609,440 \times 0.9982 = 608,343$   
10,070 grams of CO<sub>2</sub> per gallon (22.2 pounds per gallon)

2018 ODC Average = 6.99 miles per gallon (mpg)  
 $6.99 \text{ mpg} / 1.03 = 6.79 \text{ mpg}$  with no super single tires  
 $6.99 - 6.79 = 0.20$  super single fuel efficiency in mpg  
 $4,252,423 / 6.79 \text{ mpg} = 626,277$  gallons  
Fuel savings = 17,934 gallons  
398,135 pounds of CO<sub>2</sub> reduced  
**199 tons of CO<sub>2</sub> reduced**

### **EMISSION REDUCTION CALCULATION FOR AERODYNAMIC TRAILER SKIRTS PROGRAM**

Aerodynamic trailer skirts are considered a "verifiable control technology" by the EPA Smart way program. As such, EPA estimates that Aerodynamic trailer skirts improve fuel efficiency by at least 4%. Based on scientific studies, aerodynamic trailer skirts are estimated to improve fuel efficiency from 5 -7%. For the year 2018, data provided by Roundy's indicate that 63% of the trailers coming to the Oconomowoc Distribution Center were retrofitted with aerodynamic trailer skirts. We applied the 5% efficiency improvement.

Estimated TOTAL MILES =  $4,260,018 \times 0.63 = 2,683,811$   
TOTAL FUEL CONSUMPTION =  $609,440 \times 0.63 = 383,947$   
10,070 grams of CO<sub>2</sub> per gallon (22.2 pounds per gallon)

2018 ODC Average = 6.99 miles per gallon  
 $6.99 \text{ mpg} / 1.05 = 6.66 \text{ mpg}$  with no aerodynamic trailer skirts  
 $6.99 - 6.66 = 0.33$  aerodynamic trailer skirts efficiency in mpg  
 $2,683,811 / 6.66 \text{ mpg} = 402,975$  gallons  
Fuel savings = 19,028 gallons  
422,422 pounds of CO<sub>2</sub> reduced  
**211 tons of CO<sub>2</sub> reduced per year**

\* CAVEAT - There may exist some unknown synergies between coupling super single tires and aerodynamic trailer skirts in these fuel efficiency calculations.



### EMISSION REDUCTION CALCULATION FOR THE IDLE RESTRICTION PROGRAM

1087 truck deliveries over a 7-day period in December, 155 truck trips per day  
The median amount of time that each truck is "on site" is 4 hours 43 Minutes (4.72 hours)  
Assume trucks maneuver on site for 24 minutes per trip - no net reduction (0.4)  
Assume truckers would leave cab for 57 minutes per trip - no net reduction (0.95)  
Assume the idle restriction reduces idle emissions by 3.37 hours per truck per day  
Assume Roundy's Fleet Average MOVES Emission Factors for Heavy Duty Diesel Trucks

### EXTENDED IDLE EMISSION FACTORS FOR HEAVY DUTY DIESEL TRUCKS

NOx	221.6 grams per hour
PM <sub>2.5</sub>	1.92 grams per hour
VOC	37.04 grams per hour
CO	88.46 grams per hour
CO <sub>2</sub>	9,007 grams per hour

$155 \times 3.37 = 522$  hours of idling prevented each day

$522 \text{ hours} \times 221.6 = 115,675$  grams of NOx / 454 = 255 pounds of NOx

$522 \text{ hours} \times 1.92 = 1,002$  grams of PM<sub>2.5</sub> / 454 = 2.2 pounds of PM<sub>2.5</sub>

$522 \text{ hours} \times 37.04 = 19,335$  grams of VOC / 454 = 42.6 pounds of VOC

$522 \text{ hours} \times 88.46 = 46,176$  grams of CO / 454 = 102 pounds of CO

$522 \text{ hours} \times 9,007 \text{ grams CO}_2 / 454 = 10,356$  pounds of CO<sub>2</sub> / 2000 = 5.2 tons of CO<sub>2</sub>

The Oconomowoc Distribution Center was in full operation 363 days in 2018.

$255 \text{ pounds of NOx} \times 363 = 92,565$  pounds / 2000 = **46 tons NOx reduced per year**

$2.2 \text{ pounds of PM}_{2.5} \times 363 = 799$  pounds / 2000 = **0.40 ton PM<sub>2.5</sub> reduced per year**

$42.6 \text{ pounds of VOC} \times 363 = 15,464$  pounds / 2000 = **7.7 tons VOC reduced per year**

$102 \text{ pounds of CO} \times 363 = 37,026$  pounds / 2000 = **18.5 tons CO reduced per year**

$5.2 \text{ tons} \times 363 = \mathbf{1,888 \text{ tons of CO}_2 \text{ reduced per year}}$

### EMISSION REDUCTION CALCULATION FOR ROUNDY'S RIDESHARE PROGRAM

The emission factors for passenger vehicles cover all model years and are based on the Southeastern Wisconsin age distribution. The emission factors vary widely based on model year and vehicle type (passenger car or passenger truck)

My metric for rideshare as follows:

2011 SEWRPC travel survey reveals that average home-based work trip is 22 miles (11 X2). Rideshare programs have the potential to reduce vehicle miles traveled (VMT) between 5-15% if information is only provided, 10-30% if parking cash out is provided. I used the 10% as the assumption. Eight people at the Roundy's Oconomowoc Distribution Center are enrolled in

the rideshare program during 2018.  $8 * 0.10 = 0.8 * 22 = 17.6$ . Assuming an enrolled employee commutes to work 230 days per year on average, the miles reduced annually is:  $17.6 * 230 = 4,048$

#### EMISSION FACTORS FOR PASSENGER VEHICLES

NOx	0.246 grams per mile
PM <sub>2.5</sub>	0.013 grams per mile
VOC	0.180 grams per mile
CO	3.073 grams per mile
CO <sub>2</sub>	367 grams per mile

$4,048 * 0.246 =$  grams NOx reduced annually / 454 = **2.2 pounds NOx reduced per year**  
 $4,048 * 0.013 =$  grams PM<sub>2.5</sub> reduced annually / 454 = **0.12 pounds PM<sub>2.5</sub> reduced per year**  
 $4,048 * 0.180 =$  grams VOC reduced annually / 454 = **1.6 pounds VOC reduced per year**  
 $4,048 * 3.073 =$  grams CO reduced annually / 454 = **27.4 pounds CO reduced per year**  
 $4,048 * 367 =$  grams CO<sub>2</sub> reduced annually / 454 = **3,272 pounds CO<sub>2</sub> reduced per year**

#### COMPRESSED NATURAL GAS (CNG) POTENTIAL EMISSION REDUCTION CALCULATION AS COMPARED TO DIESEL TRUCKS

For purposes of WDNR's calculations, WDNR first calculated the potential emissions associated with Roundy's average MY HD Diesel Truck travelling 27,846 miles. Potential emissions were based upon emission factors within the MOVES 2014b model.

$8.317 \text{ g/mile NOx} * 27,846 \text{ miles travelled} = 231,595 / 454 = 510 \text{ pounds NOx}$   
 $0.248 \text{ g/mile PM}_{2.5} * 27,846 \text{ miles travelled} = 6,906 / 454 = 15.2 \text{ pounds PM}_{2.5}$   
 $0.823 \text{ g/mile VOC} * 27,846 \text{ miles travelled} = 22,917 / 454 = 50 \text{ pounds VOC}$   
 $2.365 \text{ g/mile CO} * 27,846 \text{ miles travelled} = 65,856 / 454 = 145 \text{ pounds CO}$   
 $1,865 \text{ g/mile CO}_2 * 27,846 \text{ miles travelled} = 51,932,790 / 454 = 114,389 \text{ pounds (57 tons) CO}_2$

Next, using EPA's Diesel Emissions Quantifier, WDNR then calculated the emissions associated with a MY 2014 HD CNG Truck based upon 27,846 miles travelled and 5,604 CNG equivalent gallons.

0.106 Short tons of NOx or 212 pounds of NOx  
0.002 Short tons of PM<sub>2.5</sub> or 4 pounds of PM<sub>2.5</sub>  
0.007 Short tons of VOC or 14 pounds of VOC  
0.030 Short tons of CO or 60 pounds of CO  
10.1 Short tons of CO<sub>2</sub> or 20,200 pounds of CO<sub>2</sub>

The difference between emissions calculated using Roundy's average MY HD Diesel Truck travelling 27,846 miles and the emissions calculated using MY 2014 HD CNG Truck travelling 27,846 miles and using 5,604 equivalent gallons pursuant to EPA's Diesel Emissions Quantifier comprises the potential emission reductions associated with replacing an average MY HD Diesel Truck with a MY 2014 HD CNG Truck.

WDNR's calculations reflect a potential estimated emission reduction associated with the use of CNG technology as follows:

**298 pounds of NOx**  
**11.2 pounds of PM<sub>2.5</sub>**

36 pounds of VOC

85 pounds of CO

46.9 short tons or 93,800 pounds of CO<sub>2</sub>

## Appendix C

Roundy's Driver/Unloader  
Responsibilities Oconomowoc  
Distribution Center

**ROUNDY'S SUPERMARKETS, INC.**  
PICK 'N SAVE • COPPS • RAINBOW FOODS

**DRIVER/UNLOADER RESPONSIBILITIES**  
**OCONOMOWOC DISTRIBUTION CENTER**

The Roundy's Oconomowoc Distribution Center is a proud participant in the Wisconsin Department of Natural Resources Green Tier program for Environmental Excellence.

**Our Environmental Policy is:**

Roundy's is committed to managing our products and processes in an environmentally responsible manner by complying with requirements, by preventing pollution, and by improving continually.

- ❖ We will do this through:
- ❖ Top management commitment;
- ❖ Reducing our impact on the environment through pollution prevention;
- ❖ Understanding and complying with environmental requirements;
- ❖ Continuous measurement and improvement of our environmental performance;
- ❖ Setting and achieving environmental goals, objectives and targets.



➤ This program is designed to minimize the impact of Roundy's operations on the environment.

➤ **For this reason, NO TRACTOR IDLING is allowed on the premises when the temperature is above 10 degrees Fahrenheit.** The only exception to the "no idle rule" is when the temperature is below 10 degrees Fahrenheit. A short warm up may occur to prevent diesel fuel from gelling and engine startup difficulties.

➤ **No refer idling while parked at the dock.**

➤ Failure to comply with the above listed responsibilities will result in the refusal of your load and potential refusal of future deliveries into Roundy's facilities.

**General Rules**

➤ Dry Goods or Grocery receiving hours are from Midnight – 08:30 am.

➤ There are no receiving clerks available to receive Perishables or Frozen loads until 4:00 am.

➤ 20 MPH speed limit in yard.

➤ **Parking outside the Receiving Building is prohibited. You must park on the Commercial line or at your assigned dock door only.**

➤ No pets allowed – Pets must remain in the tractor or be taken off of the property.

➤ Smoking in designated area only.

➤ Tires must be chocked before unloading.

➤ It is the drivers' responsibility to unload and break down to Roundy's Ti x Hi configuration. Please resolve this with your dispatcher before backing into the dock.

➤ If you do not wish to unload, you can hire PLS (unloading service) Roundy's does not regulate fees charged by PLS. The clerk at the check-in window will direct you.

➤ If you have unacceptable pallets, you will be expected to restack onto good wood.

➤ Your dock person will show you where to place completed pallets.

➤ Your dock person may be assigned up to 5 loads at a time. There may be delays while waiting for the dock person. Breaks are posted on the bulletin board in the Receiving office. Your punctuality and patience is greatly appreciated.

➤ During breaks and lunches, for safety reasons you are not allowed to continue working on unattended docks.

➤ While unloading, or on Roundy's premises, you are required to maintain a professional and business-like manner.

➤ Any driver or unloader not following these instructions or that creates a disturbance will be reloaded and the load will be rejected.

➤ Some departments may have special instructions, such as having all weights on the outside of the pallet on variable weight meats.

➤ Failure to comply with the above listed responsibilities will result in the refusal of your load and potential refusal of future deliveries into Roundy's facilities.

**If you have any questions or concerns, please see a Shipping/Receiving Supervisor inside.**

Thank you in advance for your continued cooperation,  
The Roundy's Management Team (09/07)



KEE TRANS

## Memorandum

Oconomowoc / Stevens Point Divisions

TO: All Drivers

CC: All Transportation Supervisors

DATE:

RE: Idle Policy

---

Below is Roundy's updated idle policy effective immediately.

### Refer Units;

Refer units are to be set at the proper temperature as indicated on your paper work. Refer units are to be set in the auto stop/start mode at all times, unless you are experiencing problems, and you have been directed to do differently by either the shop, or a Supervisor. All units are to be turned off prior to unloading at retail, or loading at a back haul point, unless advised differently by the shop personal, or a Supervisor. Once you empty out at a store, and are not picking up a back haul, or returning product which requires refrigeration, the trailer is to be kept in turned off. You are expected to confirm again that the refer unit is in the off position when you drop it.

When returning to the Distribution Center with a back haul, all loaded trailers are to be dropped in the yard set at the proper temperature as listed on the manufactures BOL.

### Tractor Units;

X Tractors are **NOT TO BE IDLED** at any time during the work day. The exceptions to this are, the outside temperature is above 90 or below 20 degrees Fahrenheit, you may idle if you are broken down or at a back haul location where you cannot wait inside that locations facility.

It is acceptable to warm a tractor up in the morning when you start your work day but this time should be kept to a minimum. No tractor is to be idled at any time while making a delivery or picking up a backhaul. Idle time wastes fuel and is hard on equipment. Cool down time is necessary only after a hard pull at high speed such as interstate travel. In most cases, the time required to back into the dock or drop a trailer will provide adequate cool down of the engine.

## Appendix D

WDNR Green Tier Sustainability  
Metrics Spreadsheet

**WISCONSIN DNR GREEN TIER  
SUSTAINABILITY METRICS**

Rev. 7/23/2013

Period Covered: 2018

Company Name:	Roundy's
Facility Name:	Oconomowoc Distribution Center
Address:	111 Delafield Road
City, State, Zip:	Oconomowoc, WI 53066
Environmental Coordinator:	Donna Graeff
Coordinator Phone:	262-560-3534
Coordinator E-Mail:	donna.graeff@roundys.com

Metric	Not Collected/ Not Available	Quantity	Units	Period - If not Calendar Year
<b>DEMOGRAPHICS</b>				
Sales	x			
Money saved because of material or process improvements	x		\$	
Profit or Loss	x		%	
Employees		771	Each	
Multiple between highest paid and lowest paid employee	x		%	
Alternative Transportation Support		8	Rideshare	
Total Purchases	x		\$	
In-State Purchases	x		\$	
% of Purchases Made from Companies that participate in Green Tier or Green Masters:	x		%	
<b>LAND</b>				
Total Land		112	Acres	
Paved/Covered Land		Approx. 60	Acres or sq ft	
<b>ENERGY</b>				
Electricity		17,699,015	kWh	
		-1.20%	% reduction	
Natural Gas		271,779	Therms	
Renewable Energy			%	
<b>WATER</b>				
Total Water Used		8,660,000	gallons/year	
		20%	% reduction	
Water Recycled/Reused	x		gallons/year	
	x		% reduction	
Regulated Pollutants Discharged	x		lbs/ year	
	x		% reduction	
<b>AIR</b>				
Total Air Emissions	x		lbs/ year	
	x		% reduction	
Ozone-Depleting Substances	x		lbs/ year	
	x		% reduction	
Greenhouse Gas Emissions	x		lbs/ year	
	x		% reduction	
<b>WASTE</b>				
Hazardous Waste Disposal (batteries recycled)		71,724	lbs/ year	
		83%	% reduction	
Non-Hazardous Waste Disposal		2,046,580	lbs/ year	
		-57%	% reduction	
Material Recycled/ Reused		64,361,800	lbs/ year	
		-1.80%	% increase	
Recycled/ Reused Content	x		% of product	
<b>TRANSPORTATION</b>				
Hybrid Vehicles	x		Each	
Gasoline Used	x		Gallons	
Diesel Used		654,636	Gallons	
Alternative Fuels Used (CNG)		2,578		
<b>ADDITIONAL METRICS</b>				
Please list all other certifications (for example: LEED, Energy Star, ISO 14001):				

## Appendix E

EMS Audit 2018 – Letter of  
Conformance



October 15, 2018

Dan Farrell  
Vice-President of Real Estate  
Roundy's Supermarkets, Inc.  
875 E. Wisconsin Ave. MS3300  
Milwaukee, WI 53202

RE: Roundy's 3<sup>rd</sup> Year EMS Audit 2018 Letter of Conformance

Dear Mr. Farrell,

Roundy's Supermarkets, Inc.-Oconomowoc Distribution Center (Roundy's) is a Company that has voluntarily entered into a program with the Wisconsin Department of Natural Resources (Department) commonly referred to as "The Green Tier Program." The criteria for Roundy's participation within this program are found in Wisconsin Statute 299.83 (3) and are referred to as "Eligibility for Tier I." There are criteria in 299.83(3) (c) (4) requiring a commitment by the company to have an external qualified third-party perform an environmental management system audit at least once every three years.

Perfect Environmental Performance, LLC (PEP) was retained in 2018 to perform a 3<sup>rd</sup> party audit of Roundy's Environmental Management System (EMS) regarding its continued Functional Equivalency (FE) to ISO 14001 and conformance to the 15 Green Tier required elements. The PEP review used both the ISO 14001 (2004) Standard and the ss. 298.83 (dg) requirements as the basis for the review. The Continual Improvement audit took place on October 11<sup>th</sup>, 2018 at the Distribution Center in Oconomowoc, WI. The review included a Level 1- 4 documentation review, public document/communications review, interviews and observation of practices.

*The results of the audit indicate that the Roundy's Distribution Center's environmental management system is in conformance with the requirements found in 299.83 (dg) of the Environmental Results Program and that it continues to be operationally equivalent to the ISO 14001(2004) standard. There were no Major or Minor nonconformities identified during this audit. The Roundy's Environmental Management System also demonstrated performance that can be classified as "superior environmental performance". Based upon these findings, the Roundy's Oconomowoc Distribution Center environmental management system **has** been found to continue to meet the "continual improvement" requirements of the Green Tier Program.*

This document may be submitted to the Wisconsin Department of Natural Resources to verify that your program continues to be functionally equivalent to an ISO 14001 program.

If you have any questions about this determination, please feel free to contact me to discuss them.

Sincerely,  
PERFECT ENVIRONMENTAL PERFORMANCE, LLC

Karissa Anderson  
Operational Manager, Lead EMS Auditor, PEP Member  
RABQSA Certificate Number E4393